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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

MELANIE GONZALEZ, individually)	Case No.
and on behalf of all others similarly)	
situated,)	<u>CLASS ACTION</u>
)	
Plaintiff,)	COMPLAINT FOR VIOLATIONS
)	OF:
vs.)	
)	1. VIOLATIONS OF
CALIFORNIA CHECK CASHING)	ELECTRONIC FUNDS
STORES, LLC, and DOES 1-10,)	TRANSFER ACT [15 U.S.C.
)	§1693 ET SEQ.]
Defendant(s).)	<u>DEMAND FOR JURY TRIAL</u>
)	
)	
)	
)	

Plaintiff MELANIE GONZALEZ (“Plaintiff”), on behalf of herself and all others similarly situated, alleges the following against Defendant CALIFORNIA CHECK CASHING STORES, LLC upon information and belief based upon personal knowledge:

1 or transact business within this District, and a material portion of the events at issue
2 occurred in this District.

3 **PARTIES**

4 8. Plaintiff, Melanie Gonzalez (“PLAINTIFF”), is a natural person
5 residing in Los Angeles County in the state of California, and is a “consumer” as
6 defined by 15 U.S.C. §1693a(6).

7 9. At all relevant times herein, DEFENDANT, CALIFORNIA CHECK
8 CASHING STORES, LLC (“DEFENDANT”), was a company engaged in the
9 business of providing loans to consumers.

10 10. The above named Defendant, and its subsidiaries and agents, are
11 collectively referred to as “Defendants.” The true names and capacities of the
12 Defendants sued herein as DOE DEFENDANTS 1 through 10, inclusive, are
13 currently unknown to Plaintiff, who therefore sues such Defendants by fictitious
14 names. Each of the Defendants designated herein as a DOE is legally responsible
15 for the unlawful acts alleged herein. Plaintiff will seek leave of Court to amend
16 the Complaint to reflect the true names and capacities of the DOE Defendants
17 when such identities become known.

18 11. Plaintiff is informed and believes that at all relevant times, each and
19 every Defendant was acting as an agent and/or employee of each of the other
20 Defendants and was acting within the course and scope of said agency and/or
21 employment with the full knowledge and consent of each of the other Defendants.
22 Plaintiff is informed and believes that each of the acts and/or omissions
23 complained of herein was made known to, and ratified by, each of the other
24 Defendants.
25

26 **FACTUAL ALLEGATIONS - EFTA**

27 12. Beginning in or around September 2017, Plaintiff obtained a loan
28 from Defendant.

1 13. Plaintiff provided her debit account information for the purposes of
2 Defendant automatically debiting her account to make payments on the account
3 upon signing up for the loan with Defendant.

4 14. On or around November 2017, Plaintiff called Defendant and
5 explicitly and unequivocally requested that Defendant stop automatically debiting
6 from Plaintiff's account, thereby revoking consent for such withdrawals. Plaintiff
7 was concerned about the automatic withdrawals causing her to overdraw her bank
8 account.

9 15. However, despite Plaintiff's clear revocation of authorization,
10 Defendant continued to deduct funds from Plaintiff's account multiple times on a
11 reoccurring basis, without Plaintiff's consent or authorization, including in
12 December 2017.

13 16. Despite the fact that Plaintiff told Defendant's representatives
14 multiple times to stop deducting sums from Plaintiff's account, Defendant
15 continued to deduct sums from her account in complete disregard for Plaintiff's
16 rights. Even though Plaintiff told Defendants to stop taking money from her
17 account on or about November 2017, Defendants took money from Plaintiff's
18 account in December 2017. These deductions were taken without authorization
19 from Plaintiff.

20 17. Defendants had knowledge that Plaintiff orally revoked authorization
21 on multiple occasions and had no intention of honoring that revocation.

22 18. Plaintiff alleges such activity to be in violation of the Electronic
23 Funds Transfer Act, 15 U.S.C. 1693 et seq. ("EFTA"), and its surrounding
24 regulations, including, but not limited to, 12 C.F.R. § 205.10(c)(1).
25

26 **CLASS ACTION ALLEGATIONS**

27 19. Plaintiff brings this action on behalf of herself and all others similarly
28 situated, as a member of the proposed class (hereafter "The Class") defined as

1 follows:

2 All persons in the United States whose bank accounts
3 were debited on a reoccurring basis by Defendants after
4 Defendants recorded a cancellation request for a monthly
5 membership, between one year prior to the filing of the
6 Complaint and the present.

7 20. Plaintiff represents, and is a member of, The Class, consisting all
8 persons in the United States whose bank accounts were debited on a reoccurring
9 basis by Defendants after Defendants recorded a cancellation request for a monthly
10 membership, between one year prior to the filing of the Complaint and the present.

11 21. Defendants, their employees and agents are excluded from The Class.
12 Plaintiffs do not know the number of members in The Class, but believe the Class
13 members number in the hundreds, if not more. Thus, this matter should be certified
14 as a Class Action to assist in the expeditious litigation of the matter.

15 22. The Class is so numerous that the individual joinder of all of its
16 members is impractical. While the exact number and identities of The Class
17 members are unknown to Plaintiff at this time and can only be ascertained through
18 appropriate discovery, Plaintiff is informed and believes and thereon alleges that
19 The Class includes hundreds, if not thousands, of members. Plaintiff alleges that
20 The Class members may be ascertained by the records maintained by Defendants.

21 23. This suit is properly maintainable as a class action pursuant to Fed.
22 R. Civ. P. 23(a) because the Class is so numerous that joinder of the Class members
23 is impractical and the disposition of their claims in the class action will provide
24 substantial benefits both to the parties and to the Court.

25 24. There are questions of law and fact common to the Class affecting the
26 parties to be represented. The questions of law and fact to the Class predominate
27 over questions which may affect individual Class members and include, but are
28 not necessarily limited to, the following:

1 a. Whether the members of the Class' bank accounts were debited on a
2 reoccurring basis by Defendants on or after Defendants recorded a cancellation
3 request for a monthly membership on or after one year prior to the filing of the
4 Complaint and the present; and,

5 b. Whether Defendants requested written confirmation of the
6 cancelation and refused to honor an oral cancellation of an EFT, as is permitted
7 under 12 CFR 205.10(c)(1).t.

8 25. As someone whose bank accounts was debited on a reoccurring basis
9 by Defendants after revoking consent for such withdrawal, Plaintiff is asserting
10 claims that are typical of The Class.

11 26. Plaintiff will fairly and adequately protect the interests of the members
12 of The Class. Plaintiff has retained attorneys experienced in the prosecution of class
13 actions.

14 27. A class action is superior to other available methods of fair and
15 efficient adjudication of this controversy, since individual litigation of the claims
16 of all Class members is impracticable. Even if every Class member could afford
17 individual litigation, the court system could not. It would be unduly burdensome
18 to the courts in which individual litigation of numerous issues would proceed.
19 Individualized litigation would also present the potential for varying, inconsistent,
20 or contradictory judgments and would magnify the delay and expense to all parties
21 and to the court system resulting from multiple trials of the same complex factual
22 issues. By contrast, the conduct of this action as a class action presents fewer
23 management difficulties, conserves the resources of the parties and of the court
24 system, and protects the rights of each Class member.

25 28. The prosecution of separate actions by individual Class members
26 would create a risk of adjudications with respect to them that would, as a practical
27 matter, be dispositive of the interests of the other Class members not parties to such
28

1 adjudications or that would substantially impair or impede the ability of such non-
2 party Class members to protect their interests.

3 29. Defendants have acted or refused to act in respects generally
4 applicable to The Class, thereby making appropriate final and injunctive relief with
5 regard to the members of the Class as a whole.

6 30. Defendants failed to comply with the requirements of the EFTA, 15
7 U.S.C. § 1693e(a) and Regulation E, 12 C.F.R. § 205.10(c)(1) as to the Class
8 members with respect to the above alleged transactions.

9 31. The EFTA, 15 U.S.C. §1693e(a), provides that “[a] consumer may
10 stop payment of a preauthorized electronic fund transfer by notifying the financial
11 institution orally or in writing at any time up to three business days preceding the
12 scheduled date of such transfer.”

13 32. Section 205.10(c)(1) of Regulation E provides that
14 “[a] consumer may stop payment of a preauthorized electronic fund transfer from
15 the consumer's account by notifying the financial institution orally or in writing at
16 least three business days before the scheduled date of the transfer.””

17 33. In multiple instances, Defendants debited bank accounts of the Class
18 members on a recurring basis after the consumer requested to stop payments of
19 a preauthorized electronic fund transfer from the consumer's account by notifying
20 the financial institution orally or in writing at least three business days before the
21 scheduled date of the transfer in violation of the EFTA, 15 U.S.C. § 1693e(a) and
22 Regulation E, 12 C.F.R. § 205.10(c)(1).
23

24 34. The size and definition of the Class can be identified through
25 Defendant’s records and/or Defendant’s agents’ records.
26

27 ///

28 ///

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COUNT I:
DEFENDANTS VIOLATED THE ELECTRONIC FUNDS TRANSFER
ACT
(On Behalf of Plaintiff and the Class)

35. Plaintiff reincorporates by reference all of the preceding paragraphs.

36. The EFTA, 15 U.S.C. §1693e(a), provides that “[a] consumer may stop payment of a preauthorized electronic fund transfer by notifying the financial institution orally or in writing at any time up to three business days preceding the scheduled date of such transfer.”

37. Section 205.10(c)(1) of Regulation E provides that “[a] consumer may stop payment of a preauthorized electronic fund transfer from the consumer's account by notifying the financial institution orally or in writing at least three business days before the scheduled date of the transfer.””

38. In multiple instances, Defendants debited bank accounts of the Class members on a recurring basis after the consumer requested to stop payments of a preauthorized electronic fund transfer from the consumer's account by notifying the financial institution orally or in writing at least three business days before the scheduled date of the transfer in violation of the EFTA, 15 U.S.C. § 1693e(a) and Regulation E, 12 C.F.R. § 205.10(c)(1).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, MELANIE GONZALEZ, individually, and on behalf of all others similarly situated, respectfully requests judgment be entered against Defendant, CALIFORNIA CHECK CASHING STORES, LLC, for the following:

- (a) An order certifying the Class and appointing Plaintiff as Representative of the Class
- (b) The greater of actual damages or stator damages as provided for under EFTA;

- 1 (c) Punitive damages, as allowable, in an amount determined by
2 the Court or jury;
3 (d) All reasonable and necessary attorneys' fees and costs provided
4 by statute, common law or the Court's inherent power;
5 (e) Pre- and post-judgment interest; and
6 (f) All other relief, general or special, legal and equitable, to which
7 Plaintiff and Class Members may be justly entitled as deemed
8 by the Court.
9

10 **TRIAL BY JURY**

11 39. Pursuant to the seventh amendment to the Constitution of the United
12 States of America, Plaintiff is entitled to, and demands, a trial by jury.
13

14 Respectfully submitted this 2nd Day of October, 2018.

15 LAW OFFICES OF TODD M. FRIEDMAN, P.C.

16 By: /s/ Todd M. Friedman
17 Todd M. Friedman
18 Law Offices of Todd M. Friedman
19 Attorney for Plaintiff
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